

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

June 5, 2006

CALL TO PODIUM:

David Humpton

RESPONSIBLE STAFF:

Harold Belton, Director
Finance and Administration

AGENDA ITEM:

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
	Public Hearing
	Historic District
	Consent Item
X	Ordinance
	Resolution
	Policy Discussion
	Work Session Discussion Item
	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	05/01/06
Advertised	04/26/06
Hearing Date	05/15/06
Record Held Open	05/26/06
Policy Discussion	

TITLE:

An Ordinance to Adopt the City Budget for the Fiscal Year July 1, 2006 Through June 30, 2007 and Levying an Ad Valorem Tax on all Assessable Property Within the City of Gaithersburg, Maryland

SUPPORTING BACKGROUND:

A public hearing was advertised in the April 26, 2006 issue of the Gaithersburg Gazette and was held on May 15, 2006. During the public hearing, the Mayor and City Council voted to close the record on May 26, 2006.

This ordinance establishes the City budget, which provides a complete financial plan, including anticipated revenues and proposed expenditures for the Fiscal Year 2006-2007. The ordinance also institutes an ad valorem tax on all assessable property within the City of Gaithersburg, Maryland. The ad valorem tax has been set at a rate of \$.212 on each \$100 of assessed value of real property and \$.53 on each \$100 of assessed value of personal property.

In accordance with instructions from the Mayor and City Council at the work sessions, the following amendments are proposed in the Fiscal Year 2007 Budget:

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DESIRED OUTCOME:

Vote on Ordinance to adopt FY 2006-07 Budget and set Ad Valorem Tax Rate.

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In accordance with instruction from the Mayor and City Council at the work sessions, the following amendments are proposed in the Fiscal Year 2006 budget:

FY 2007 Subsequent Revenue & Expenditure

Revenue

Highway User	ADD	\$ 55,000
Community Legacy Grant	ADD	\$ 25,000
Montgomery County Contribution to CIP 03-1	SUBTRACT	\$ (1,000,000)
State of Maryland – Youth Center in Olde Towne	ADD	\$ 50,000
	Sub-Total	<u>\$ (870,000)</u>

Expenditure

1165 Misc. Profess. Services Alarm Monitoring & Pest Control	ADD	\$ 4,000
1343 Sr. Public Service Worker Salaries & Benefits	ADD	\$ 36,973
1415 550200 Water	TRANS TO 1343	\$ (2,000)
1343 550200 Water	TRANS FROM 1415	\$ 2,000
1343 550200 Water – All Parks & Ballfields	ADD	\$ 8,000
1215 543000 Contributions to GREAT Program	TRANS FROM 1911	\$ 1,950
1911 580000 Contingency	TRANS TO 1215	\$ (1,950)
Transfer to CIP: 79-3 (Community Legacy)	ADD	\$ 25,000
Transfer to CIP: 06-1 (Youth Center in Olde Towne)	ADD	\$ 50,000
Transfer to CIP: 03-1 (Gaithersburg Aquatic/Rec. Ctr.)	SUBTRACT	\$ (1,000,000)
Transfer to CIP: 06-3 (Senior Center)	ADD	\$ 200,000
	Sub-Total	<u>\$ (676,027)</u>

Net Change to Fund Balance	<u>\$ (193,973)</u>
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Ordinance No. O-4-06

ORDINANCE ADOPTING THE CITY BUDGET
FOR THE FISCAL YEAR JULY 1, 2006, THROUGH
JUNE 30, 2007, AND LEVYING AN AD VALOREM TAX ON
ALL ASSESSABLE PROPERTY WITHIN THE CITY OF
GAITHERSBURG, MARYLAND

WHEREAS, the proposed budget for the 2006-07 Fiscal Year was submitted by the City Manager to the Mayor and City Council as required by the City Charter, as amended; and

WHEREAS, the 2006-07 budget provides a complete financial plan, including anticipated revenues and proposed expenditures, for the fiscal year:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Gaithersburg, in public meeting assembled, that the budget for the City of Gaithersburg for the Fiscal Year July 1, 2006, through June 30, 2007, be and it hereby is adopted as follows:

ANTICIPATED REVENUE

Local Taxes	\$16,851,230	
Licenses & Permits	3,041,765	
Intergovernmental Revenue	15,073,225	
Service Charges	3,982,300	
Fines & Forfeitures	320,500	
Miscellaneous Revenues	<u>3,179,597</u>	
ANTICIPATED REVENUE	\$42,448,617	
Reappropriation		<u>3,315,743</u>
TOTAL ANTICIPATED REVENUE		<u>\$45,764,360</u>

PROPOSED EXPENDITURES

General Government	\$7,979,471	
Public Safety	8,399,049	
Public Works	6,842,369	
Parks, Recreation and Culture	7,996,716	
Community Services and Development	2,059,349	
Miscellaneous	<u>1,972,351</u>	
OPERATING TOTAL	\$35,249,305	
<u>CAPITAL IMPROVEMENTS</u>		<u>\$ 10,515,055</u>
TOTAL PROPOSED EXPENDITURES		<u>\$45,764,360</u>

AND BE IT FURTHER ORDAINED that all of the sums set forth herein under the heading "PROPOSED EXPENDITURES" be and hereby are appropriated.

AND BE IT FURTHER ORDAINED that there is hereby levied on all of the assessable real property within the City an ad valorem tax at the rate of ***Twenty-one and Two/Tenths Cents (\$.212) on each One Hundred Dollars (\$100) of assessed value of said property***, and there is hereby levied an ad valorem tax on the tangible personal property subject to taxation by the City, except for manufacturing equipment, manufacturing inventory and commercial inventory of corporate and unincorporated businesses, at the rate of Fifty-Three Cents (\$.53) on each One Hundred Dollars (\$100) of assessed value of such tangible personal property.

AND BE IT FURTHER ORDAINED that the City hereby adopts the imposition of a full year, one-half year, three-quarter year and one-quarter year tax levies authorized pursuant to Title 10, Sections 10-102, 10-103, 10-104 and 10-105, Tax Property Article, Annotated Code of Maryland, as amended, and authorizes and empowers Montgomery County, Maryland, to collect and remit the same to the City of Gaithersburg, consistent with the imposition and collection of such levies on real property by Montgomery County.

ADOPTED by the City Council this 5th day of June, 2006.

SIDNEY A. KATZ, MAYOR and
President of the Council

DELIVERED to the Mayor of the City of Gaithersburg this 5th day of June, 2006.
APPROVED/VETOED by the Mayor of the City of Gaithersburg this 5th day of June, 2006.

SIDNEY A. KATZ, MAYOR

THIS IS TO CERTIFY that the foregoing Ordinance was adopted by the City Council of Gaithersburg, in public meeting assembled, on the 5th day of June, 2006, and the same was approved/vetoed by the Mayor of the City of Gaithersburg on the 5th day of June, 2006.

This Ordinance becomes effective on the 1st day of July, 2006.

David B. Humpton, City Manager